https://www.financial-planning.com/news/fpa-president-talks-exit-planning-priorities-and-ai

Paul Brahim of Wealth Enhancement Group is the 2025 FPA president.
Courtesy photo by Jen Barker Worley

FPA president talks exit planning, priorities and AI
By Rob Burgess
May 28, 2025, 2:01 p.m. EDT

A certified exit planner, Paul Brahim has first-hand experience in the importance of planning for business transitions.

In 2020, he sold his firm, BPU Investment Management, to Wealth Enhancement Group. He began preparing for that transaction two or three years beforehand, building an exit-planning strategy for the shareholders in his firm. He said he wanted "to assure a smooth transition to make sure that all of the people who got us to that place could still fulfill their own careers."

Today, he works with CEOs on retirement and succession plans as head of Wealth Enhancement Group's national exit planning practice. He also serves as managing director at the Pittsburgh office. The firm is based in Plymouth, Minnesota, and has an advisory arm with over $100 billion in assets under management.

"When the business owner is personally and financially ready, and their business is ready, attractive and valuable, those come together right to create a no-regrets exit," he said. "It's important that we think about that right from the day you open your door as a business owner."

In addition to his work in exit planning for business owners, Brahim has taken on a new role this year as president of the Financial Planning Association (FPA). The organization has around 22,000 current members.

Brahim took the time to speak with Financial Planning about common pitfalls in exit planning, his priorities for the FPA and his take on AI in wealth management.

This interview has been lightly edited for clarity and length.

Financial Planning: What are some of the biggest pitfalls and blind spots you see when it comes to exit planning?

Paul Brahim: Probably the biggest pitfall that I see for business owners is that they either start, buy or inherit a business, work at growing their business, and then they sell a business and try to figure out what's next for their life and what to do with the money that they got from that sale. It's very linear and sequential.

When we look at people who go through that linear process, we find that most of those who sell their business deeply regret it within a year. They have no idea what they're going to do with the rest of their life. They've lost a head-and-heart connection to something that gets them out of bed in the morning. There's that

emotional component, which is a huge pitfall. Not having real clarity on what that end game looks like and what they're moving into, as opposed to what they're moving away from.

They are often dissatisfied with the net amount that they receive after frictional transaction costs. Many will quickly discover that it doesn't create quite the lifestyle that they had hoped for or thought it would. They've not engaged in comprehensive financial planning that integrated their business decisions and their personal financial decisions in a way that pointed to that end game.

Stephen Covey (author of "The 7 Habits of Highly Effective People") tells us to "begin with the end in mind." We create it in our mind first, and then we create it in reality. Without having that clarity of vision of that end game, we tend not to understand what's necessary to live into that end game.

It's just, "I'm eventually going to sell this business." We find that the business is not as attractive and valuable as they think it should be. They are not personally or financially ready for that transition.

FP: Why was it important for you to take on the role of 2025 FPA president? And what are your priorities?

PB: I joined the predecessor organizations in 1992 or 1993. [Editor's note: In 2000, the Institute of Certified Financial Planners and the International Association for Financial Planning merged to form the FPA.] Both of those organizations were instrumental in the foundation of my career. I became a certified financial planner in 1995, and being part of those organizations was continuing education. The networking with other successful practitioners, the mentorship that came out of that, the relationships that were built, and the opportunities to engage in advocacy for the profession and for consumers at the state and the federal level were really all quite important to how I grew as a practitioner.

I think the FPA does a remarkable job of elevating the profession. We elevate the lives of our members and the clients that we serve through the power of planning and executing on our strategic plan.

I want to see the profession elevated because of what it's done. I want to see the legal and regulatory recognition of the term financial planner as being a unique and distinct profession. I think that's important, from a consumer perspective, to understand who's financial planning and who's selling products or has a single focus. I think that's critical.

Another key objective is to get all 50 states to create a financial literacy requirement for high school graduation. Financial literacy is fundamental to the health of our nation, and we need to begin to teach our kids the basics of budgeting, cash flow, how loans and credit cards work, how investment works and the importance of diversification. They need to have the tools early that are

necessary to create financial wellness. Financial literacy and financial wellness go hand in hand. If we can teach them and provide them with the tools that they can create a higher level of financial wellness, we can hopefully avert a real retirement crisis in America that exists today.

FP: I've been writing about AI a lot, as you can imagine. What is your view on AI's place in the future of financial planning? How can advisors maintain the human in the loop and preserve the relationship even with all these tools coming online?

PB: When the search engine showed up, there was this idea that planners, advisors and investment people would become obsolete because more people can tap into that knowledge and do things for themselves. We found over the last 25 years, people today are probably at least as confused about financial planning, investments, inflation and financial security as they were 25 years ago, before the advent of search engines.

The large majority of people seek a relationship to help them make sense. "This is a human who has the knowledge, skill, experience and empathy to connect with them and understand their uniqueness and build some kind of plan around that."

It's not information. It's how you use that information. It's the judgment that you exercise with that information. It's the actions that you take. It's the accountability that comes with working with someone. It's about cutting through our emotions and applying that knowledge. Those are still human functions.

I and many of my peers and colleagues look at AI as a tool to enhance the human experience. It can bring a little bit more power to the process, but I certainly don't think that it will replace us. No tool has replaced people in a caring profession, and that's what we are. It's important to know that AI lacks empathy, just like a search engine lacks empathy. It's important to know that AI is only as good as the prompt you provide it. If you're not using those prompts correctly because you don't know the language, you can get errant answers.

It's just another tool, like financial planning software, search engines and books. Everything that we can do can be found in a book. Does that mean that we're not necessary? No.